

GOED Board Meeting Minutes

February 13, 2014 • 10:00 a.m.
Governor's Office of Economic Development
60 E. South Temple, Third Floor

Members Present:	Mel Lavitt, Jerry Oldroyd, Sam Granato, Winston Wilkinson, Cliff White, Lorena Riffo-Jenson, Margo Jacobs, Josh Romney, Stefanie Bevans
Staff:	Jenni Osman, Christopher M. Conabee, Fred Lange, Michael Sullivan, Kevin Jessing, Eric Nay, Ron Andrus, Tamy Dayley, Kelleigh Cole, Chad Poll, Dan Royal, Jeff Van Hulten, Hannah Vickery, Vince Mikolay
Visitors:	Bill Loos, Ted McAleer, Steve Erickson, Marshall Moore, Mimi Davis-Taylor, Bryce Wallace, Ricky Flores, Beth Colosimo, Donna Kessler, Derek Mellus, Thomas Wadsworth, Todd Brightwell, Dave Hunter, Brant Anderson, Jacquelyn R. Wayne, Lawrence Sutter, Amy Anderson

Welcome

Mel Lavitt welcomed everyone to the February 13, 2014 Board meeting.

Approval of the Minutes

MOTION: Lorena Riffo-Jenson moved to approve the January 9, 2014 minutes. Winston Wilkinson seconded the motion. Motion was carried unanimously.

EDTIF – Jive Communications

Project Highlights

Timeline:	2014
Target Industry:	IT Electronics and Telecom
Proposed Location(s):	Utah County
Capital Investment:	\$6,400,000

Jobs & Revenue

Full time incented jobs over project lifetime: 576
The company will provide full time employees with comprehensive health and retirement benefits.

New State Wages & Revenue

New State Wages over years:	\$130,946,265
New State Revenue over years:	\$ 6,255,476

Local Incentive

Salt Lake City has offered an incentive to the company for expansion and relocation services. The city values the relationship and impact that the company has in the community. Please see local letter.

MOTION: Jerry Oldroyd moved to approve Jive Communications for a \$938,321 EDTIF post-performance refundable tax credit which represents an amount equal to 15% of new state revenue for 5 years. Stefanie Bevans seconded the motion. Motion was carried unanimously.

- Incentives provided post-performance upon review and verification by GOED.
- Total EDTIF incentive not to exceed \$938,321 EDTIF post-performance refundable tax credit.
- Must commit to keep operation in Utah for the length of the incentive period, 5 years.
- Incentives are site specific and subject to local incentive participation.

There were not any representatives from the company.

EDTIF – Environmental Stoneworks

Project Highlights

Timeline:	2014
Target Industry:	Manufacturing
Proposed Location(s):	Washington County
Capital Investment:	\$2,000,000

Jobs & Revenue

Full time incented jobs over project lifetime: 124

The company will provide full time employees with comprehensive health and retirement benefits.

New State Wages & Revenue

New State Wages over years: \$40,887,535

New State Revenue over years: \$ 2,571,519

MOTION: Jerry Oldroyd moved to approve Environmental Stone Works for a \$514,304 EDTIF post-performance refundable tax credit which represents an amount equal to 20% of new state revenue for 10 years. Stefanie Bevans seconded the motion. Motion was carried unanimously.

- Incentives provided post-performance upon review and verification by GOED.
- Total EDTIF incentive not to exceed \$514,304 EDTIF post-performance refundable tax credit.
- Must commit to keep operation in Utah for the length of the incentive period, 10 years.
- Incentives are site specific and subject to local incentive participation.

Jacquelyn R. Wayne and Lance Sutter spoke briefly on how grateful they are for this opportunity and thanked the GOED Board for their support on this project.

RFT**“Timberline Range Campus”**

The Rural Development office recommends a Rural Fast Track grant for Timberline Range Camps, LLC for the purpose of expanding its business, located in Mt. Pleasant, Utah, by constructing an addition to their current location to organize and house their expanding foundry and casting business as well as purchase new equipment. The company expects to add 3 builder jobs, 1 full time RV mechanic and 1 full time welder. The project has cost approximately one hundred seven thousand Dollars (\$107,000).

MOTION: Approve a Rural Fast Track Grant for TIMBERLINE RANGE CAMPS, LLC of \$50,000.

“Delta Garage Service”

The Rural Development office recommends a Rural Fast Track grant for Delta Garbage Service for the purpose of purchasing equipment that will be used for the manufacturing of steel garbage dumpsters. The company expects to hire approximately 100 skilled and semi-skilled positions, including welders and truck drivers. The project is estimated to cost One hundred thirteen thousand dollars (\$113,000.00).

MOTION: Approve a Rural Fast Track Grant for DELTA GARBAGE SERVICE of \$50,000.

“Four Corners Adventure”

The Rural Development office recommends a Rural Fast Track grant for Four Corners Adventures, LLC for the purpose of expanding its business, located in Blanding, Grand County, Utah, by purchasing equipment necessary for day-to-day business operations as well as ensuring the safety of tourists. Four Corners Outdoor Adventure expects to hire a full time operations manager as well as 3 additional full-time seasonal guides. The project will cost approximately Forty-one thousand, seven hundred forty-two Dollars (\$41,742).

MOTION: Approve a Rural Fast Track Grant for Four Corners Adventures, LLC of up to \$20,871.

There was a motion of support for the Rural Fast Track projects. Cliff White moved the motion. Sam Granato seconded the motion. Motion was carried unanimously.

MPAC

Marshall Moore, Director of the Film Commission gave a brief update on the status of some of the films that GOED has incented and their release dates. He also spoke on the success of Sundance this year.

“Abolitionist”

Project Highlights

- Category: TV Series
- Genre: TV Show
- Director: Chet Thomas
- Producers: Chet Thomas, Gerald Molen, Darrin Fletcher

Utah Jobs and Revenue

- Estimated Cast: 4
- Estimated Cast Average Salary: \$350/day
- Estimated Crew: 5
- Estimated Crew Average Salary: \$350/day
- Estimated Extras: 4
- Estimated Extras Average Salary: \$200/day
- Length of Film Production: 32
- Estimated Spend: \$975,000

Project Schedule

- Prep: January 2, 2014 through January 7, 2014
- Principal Photography: January 8, 2014 through November 14, 2014
- Wrap: November 17, 2014 through December 5, 2014
- Post Production: January 23, 2014 through December 19, 2014

MOTION: Cliff White moved to approved for The Abolitionists Season 1, Inc a Motion Picture Incentive Program post-performance tax credit of no less than \$195,000 (which represents 20% of dollars left in state) for the production of ‘Abolitionists.’ Sam Granato seconded the motion. Motion was carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the incentive
- At least 85% of the production’s cast/crew must be Utah residents and/or Utah students.

“Don Verdean”

Project Highlights

- Category: Feature Film
- Genre: Comedy
- Director: Jared Hess
- Producer: Jared Hess, David Hunter

Utah Jobs and Revenue

- Estimated Cast: 11
- Estimated Cast Average Salary: \$944/day
- Estimated Crew: 47
- Estimated Crew Average Salary: \$300/day
- Estimated Extras: 1,000
- Estimated Extras Average Salary: \$101.50/day
- Length of Film Production: 25 days
- Estimated Spend: \$2,000,000

Project Schedule

- Prep: January 13, 2014 through February 9, 2014
- Principal Photography: February 10, 2014 through March 14, 2014
- Wrap: March 15, 2014 through March 21, 2014
- Post Production: February 3, 2014 through August 20, 2014

MOTION: Lorena Rizzo-Jensen moved to approve Don Verdean the Movie, LLC a Motion Picture Incentive Program post-performance tax credit of no less than \$250,000 (which represents 20% of dollars left in state) and up to \$312,500 (which represents 25% of the dollars left in state) for the production of “Don Verdean.” Winston Wilkinson seconded the motion. Motion was carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$1,000,000 minimum dollars left in state to be eligible for the incentive
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval
- Don Verdean the Movie, LLC may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$312,500 (25% of the dollars left in state).

“Galyntine Pilot”

Project Highlights

- Category: TV Series
- Genre: Sci-Fi
- Director: TBD
- Producer: Greg Nicotero, Jason Cahill, Ridley Scott

Utah Jobs and Revenue

- Estimated Cast: 20-25
- Estimated Cast Average Salary: \$900/day
- Estimated Crew: 120
- Estimated Crew Average Salary: \$350/day
- Estimated Extras: 350
- Estimated Extras Average Salary: \$100/day
- Length of Film Production: 14
- Estimated Spend: \$7.3 Million

Project Schedule Pilot

- Prep: April 7, 2014 through June 16, 2014
- Principal Photography: June 16, 2014 through July 3, 2014
- Post Production: July 7, 2014 through September 15, 2014

MOTION: Margo Jacobs moved to approve for Galyntine Productions, LLC a Motion Picture Incentive Program post-performance tax credit of no less than \$1,460,000 (which represents 20% of dollars left in state) and up to \$1,825,000 (which represents 25% of the dollars left in state) for the production of “Galyntine.” Jerry Oldroyd seconded the motion. Motion was carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$1,000,000 minimum dollars left in state to be eligible for the incentive
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval
- Galyntine Productions, LLC may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$1,825,000 (25% of the dollars left in state).

“Galyntine Season 1”

Project Highlights

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|-------------|---|
| • Category: | TV Series |
| • Genre: | Sci-Fi |
| • Director | TBD |
| • Producer: | Greg Nicotero, Jason Cahill, Ridley Scott |

Utah Jobs and Revenue

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|------------------------------------|--------------|
| • Estimated Cast: | 20-25 |
| • Estimated Cast Average Salary: | \$900/day |
| • Estimated Crew: | 120 |
| • Estimated Crew Average Salary: | \$350/day |
| • Estimated Extras: | 350 |
| • Estimated Extras Average Salary: | \$100/day |
| • Length of Film Production: | 75 |
| • Estimated Spend: | \$23 Million |

Project Schedule Season 1

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| • Prep: | January 5, 2015 through March 5, 2015 |
| • Principal Photography: | March 5, 2015 through June 15, 2015 |
| • Post Production: | June 17, 2015 through August 24, 2015 |

MOTION: Jerry Oldroyd moved to approve for Galyntine Productions I, LLC a Motion Picture Incentive Program post-performance tax credit of no less than \$4,600,000 (which represents 20% of dollars left in state) and up to \$5,750,000 (which represents 25% of the dollars left in state) for the production of “Galyntine.” Sam Granato seconded the motion. Motion was carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$1,000,000 minimum dollars left in state to be eligible for the incentive
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval
- Galyntine Productions I, LLC may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$5,750,000 (25% of the dollars left in state).

“The Giver” 2nd Request

Project Highlights

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|--------------|---|
| • Category: | Feature Film |
| • Genre: | Drama |
| • Director: | Phillip Noyce |
| • Producers: | Jeff Bridges, Neil Koeningsberg, Nikki Silver |

Utah Jobs and Revenue

• Estimated Cast:	5
• Estimated Cast Average Salary:	\$900/day
• Estimated Crew:	70
• Estimated Crew Average Salary:	\$300/day
• Estimated Extras:	10
• Estimated Extras Average Salary:	\$125/day
• Length of Film Production:	9 days
• Estimated Spend:	\$1,400,000

Project Schedule

• Prep:	January 4, 2013 through January 12, 2014 (Utah) July 8, 2013 through October 6, 2013(Full)
• Principal Photography: (Utah)	January 27, 2014 through February 6, 2014 October 7, 2013 through January 17, 2014 (Full)
• Post Production:	0 Days of Post Production in Utah January 18, 2014 through June 24, 2014 (Full)

MOTION: Stefanie moved to approve for Giver Productions, Inc. a Motion Picture Incentive Program post-performance tax credit of no less than \$280,000 (which represents 20% of dollars left in state) and up to \$350,000 (which represents 25% of the dollars left in state) for the production of ‘The Giver.’ Margo Jacobs seconded the motion. Motion was carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$1,000,000 minimum dollars left in state to be eligible for the incentive
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval.
- Giver Productions, Inc. may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission. Total Incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$350,000 (25% of the dollars left in state).

Alexandra Hesse, Director of the Leonardo gave a presentation on the history of the museum and also their model. They are the first of its kind in multi-disciplinary, they are inspired by industry and research; they want to increase academic performance and critical thinking while fueling creativity and innovation.

Whitney Clayton, CEO of MSC Aerospace gave a presentation on what their company has accomplished since they were incented. They have hired 36 new jobs since their site selection and they currently have 15 open positions. They are projecting an additional 80 jobs in 2014. The types of aerospace jobs that they are hiring is for aerospace engineers, A & P mechanics, assembly and structural mechanics, quality inspectors, fabricators and machinists.

GOED Update

Sophia DiCaro, Deputy Director gave a brief update on the legislative session; they are now in the appropriations now. GOED is pushing a few bills and she does not have any concerns as of now. There was a new STEM campaign rolled out its called STEM Curiosity Unleashed, it is up on the website, Comcast and private sectors helped with the campaign it is about encouraging children to look into STEM programs at school.

Incentives Update

Christopher M. Conabee, Managing Director of Corporate Recruitment and Business Services gave an update on the Incentives Program regarding new and existing projects.

EDCU Update

Todd Brightell, Vice President of EDCUtah, presented on the status of current and upcoming projects in the pipeline. He spoke on the increase of the number of projects that EDCU is seeing in all industries.

Meeting adjourned.